

City Council Finance Committee Meeting Notes

Tuesday, September 24, 2013

7:00PM

Hurley Building

Present: Finance Committee members: Taylor, Terwilliger, Wade, White
Council members: Bucci, Mayor Polimeni, Whitcomb
City Staff: City Manager Forrest, City Clerk/Treasurer Abdallah, Public Works
Director Sprague, Fire Chief Marentette, City Attorney Smith

1. Cake Biosolids Hauling Bid

Public Works Director Sprague reviewed the results of the bidding process related to the hauling of cake biosolids from the wastewater treatment facility. Two bids were received, with the lowest bid submitted by WeCare Waste & Recycling, Weedsport, NY, for \$14.83/ton. Funding in the wastewater treatment facility operating budget is available to cover this cost.

Action Taken: Committee voted 3:0 (prior to the arrival of Councilmember Wade) to recommend to Council, in the form of a resolution, approval for the City Manager to enter into a contract with WeCare.

2. IT Needs Assessment

Clerk/Treasurer Abdallah reviewed a proposal to enter into a contract with Access Systems, Manlius, NY, for an amount not to exceed \$23K to perform a comprehensive review of the City's Information Management systems across all departments. Access Systems was one of three firms to respond to an RFQ. All three responding firms were interviewed. The study, which will include recommendations for follow-up action, will cover the collection, storage, management, integration, and automation of the City's IT data. Funding would be appropriated from the existing fund balance in the Technology Fund. This will require an amendment to the 2013 Technology Fund budget.

Action Taken: Committee agreed 4:0 to recommend to Council, in the form of a resolution, approval for the City Manager to enter into a contract with Access Systems for this purpose.

3. Fire Truck Refurbishment Bid

Fire Chief Marentette reviewed a proposal to repair and refurbish Engine 211. The truck was purchased in 2004, has seen significant wear and tear, and was recently damaged in a service-related accident. It was noted that the refurbishment should yield an additional 10 years of service and would offer significant savings vs. replacement in the near future. Four bids were solicited, and only one vendor responded – a bid of \$99,500 from Colden Enterprises, Kenmore, NY. Using insurance proceeds of \$16,253, net cost to the City would be \$83,247 - \$82,247 from the Capital Fund via transfer from the Capital Reserve and \$1,000 from the Insurance Reserve to cover the deductible. Both will require amendments to the 2013 budget.

Action Taken: Committee agreed 4:0 to recommend to Council, in the form of a resolution, approval for the proposed repair and refurbishment. Further, Committee stipulates that the 2014 Capital Fund / Capital Reserve budget be adjusted downward by the same amount so that the net

effect is to move the project ahead one year but not increase planned capital spending for the 2013-2014 timeframe.

4. Main Street Streetscape Update

City Manager Forrest provided a brief update on the Streetscape project, reporting for Assistant City Manager White. It is expected that the work will be completed in October, aiming for mid-October. Additional change orders related to unanticipated labor and materials costs will result in a \$41K increase in the project budget, bringing the grand total up to \$1,673,000. This increase will be covered by under-runs in the 2013 DPW operating budget.

Action Taken: None, this was an information-only topic.

5. 2014 Draft Budget

City Manager Forrest and Clerk/Treasurer Abdallah reviewed the 2014 budget process. This year, the process will be streamlined by presenting a baseline budget which maintains 2013 service levels. Additionally, menu choices for enhancements, including the incremental cost for each menu item, will be presented for consideration. As required by City Charter, the drafts will be made available to Council and to the public by Nov. 1. As in past years, a budget workshop schedule will be developed for the month of November, resulting in a proposed budget for consideration at the December City Council meeting.

Action Taken: None, this was an information-only topic.

6. Clerk/Treasurer Fees

As part of an initiative to review the entire City fee structure prior to 2014 budget workshops this November, Committee reviewed the Clerk/Treasurer's Office fee schedules at this meeting. Discussion centered on staff recommendations for increases related to certain services and no change for others. Again, the principles used by staff in making the recommendations were: 1) fees should reflect actual costs used to perform the service, and 2) fees should be charged for targeted services for a subset of the community vs. services benefitting the community as a whole.

Clerk/Treasurer Abdallah reviewed her proposals. The following recommended changes were supported by Committee and will be included in the revenue column in the 2014 draft General Fund budget: 1) Animal permit annual fee increased from \$1 to \$25; 2) Tax search fee increased from \$15 to \$25; 3) Duplicate Certificate of Redemption increased – new fee of \$20; and 4) Birth, Death, and Marriage Certificates remain at \$10 each but agreement to request NYS Legislature home-rule approval giving the City permission to raise these certificate fees up to \$30 each, with the intent to raise to \$20 in the future pending approval.

Action Taken: Committee agreed to recommend to Council, in the form of a resolution, approval for the proposed home-rule request to the NYS Legislature.

7. Rental Registration Fees

Chairman Terwilliger led the discussion of a potential fee schedule for the proposed residential rental registration/permit ordinance. The issues were: 1) Fee or no fee, and 2) If a fee, how much? There was considerable discussion centering on the fairness issue and the fact that this initiative is being driven by the City in order to make the development/maintenance of an accurate residential rental database easier for the City.

Action Taken: Consensus decision by the Council members present was that no fee would be charged to residential rental property owners as a result of enacting the associated ordinance.

8. Steamboat Landing Tax Incentives

City Manager Forrest reviewed a decision by the County IDA on Sept 23 that granted tax incentives to the developers of the Steamboat Landing hotel and conference center (Canandaigua Finger Lakes Resort). These incentives would waive the sales tax on the initial construction and the mortgage tax on the project. Total tax savings to the developers are ~\$122K. Mr. Forrest stated that the steady state property tax due to the City following construction will be about \$150K/year.

Action Taken: This was an information-only topic. However, the consensus of Council members present was that Council is supportive of the action taken by the County IDA, although most were not happy that Council did not have an opportunity to officially weigh in prior to or at the IDA hearing, given the lack of advance notice.

9. Confidentiality Agreement

City Attorney Smith reviewed a proposed confidentiality agreement between the City and Morgan-LeChase, developers of the North Shore Project. As this project unfolds, the developers wish to discuss with the City, County, and School District potential property tax incentives essential to the financial viability of the project. In future discussions, the developers believe that they will need to disclose proprietary information that could be damaging to their businesses if released to the public. The proposed agreement with each municipality would stipulate that the City would not publicly disclose confidential information that is covered under a FOIL exception.

City Attorney Smith stated that the City already follows such a policy, as allowed under NYS law and that entering into such an agreement does not require special Council action.

Action Taken: This was an information-only topic.

The meeting was adjourned at 9:05PM. The next Finance Committee meeting is scheduled for Tuesday, October 22 (since rescheduled to Thursday, October 24) at 7:00PM at the Hurley Building.

Respectfully submitted,

James Terwilliger
Finance Committee Chair